

State of Utah

Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR. Governor

> GARY R. HERBERT Lieutenant Governor

> > March 27, 2007

Drew Downs Calcite Exploration LLC 1731 North 1400 East Lehi, Utah 84043

Re:

Exemption from Utah Mined Land Reclamation Permitting Requirements, Calcite Exploration, LLC., Proposed Sand & Gravel Operation Adjacent to the Cedarstrom Calcite Mine, S/049/012, Utah County, Utah

Dear Mr. Downs:

Thank you for accompanying the Division on our March 23, 2007 inspection of your proposed quarry. This inspection was performed to determine if your mining operation qualified for a regulatory exemption under the Division's "Sand, Gravel and Rock Aggregate" definitions. Our investigation showed that the material you intend on mining appears to be deposited by Lake Bonneville currents resulting in stratification, size sorting and extensive rounding typical of an alluvial deposit. It has been determined that your proposed operation "does" qualify for an exemption under the "Sand, Gravel and Rock Aggregate" definitions. This determination was made because your operation is proposing to extract aggregate materials from an alluvial sand/gravel deposit. Therefore, your proposed operation will not require a permit under the Utah Mined Land Reclamation Act and Administrative Rules.

Please note that there may be regulatory requirements under other agencies that you will still need to comply with such as air quality, water quality or Local governmental bodies. If you eventually anticipate the need to expand your quarrying operations outside the alluvial sand/gravel deposit to obtain your mineral product, you will need to file a permit application and obtain a mining permit from this office. Please contact us in advance to obtain the proper permit application form before advancing your operations into the solid bedrock deposit.

Thank you for your cooperation and willingness to accompany us on the inspection in our effort to administer the requirements of Utah Mined Land Reclamation Act.

Sincerely,

Daron R. Haddock Permit Supervisor

Minerals Regulatory Program

Haddock

DRH:LK:pb

cc: Peggy Kelsey, Utah County

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